

COUNTY OF LOS ANGELES

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DEPARTMENT OF MENTAL HEALTH

<http://dmh.lacounty.gov>

550 SOUTH VERMONT AVENUE, LOS ANGELES, CALIFORNIA 90020

November 12, 2009

TO: Each Supervisor
FROM: *Robin Kay for*
Marvin J. Southard, D.S.W.
Director of Mental Health

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO EXTEND SOLE SOURCE CONTRACT AGREEMENT WITH KAREN BOLLOW**

This memo is to comply with the Board of Supervisors Policy Manual, Section 5.100 (Sole Source Contracts) regarding contracting policy required for sole source contracts. The Los Angeles County Department of Mental Health (DMH) intends to amend the existing sole source Consultant Services Agreement with Karen Bollow to ensure continuous consultation and technical assistance needed to implement and monitor the Contract Provider Transition Project (CPTP) and the Contract Provider Technological Needs Project (CPTNP). We will be requesting your Board approve an amendment to extend the current contract through June 30, 2011, and increase the Total Compensation Amount by \$273,600 for Fiscal Years (FYs) 2009-10 through 2010-11. This increase will be sufficient to complete the project.

The CPTP was established by DMH to assist contract providers of mental health services with identifying, planning, and executing the tasks necessary to complete their transition from DMH's Direct Data Entry (DDE) claims processing system to Electronic Data Interchange (EDI) transactions. The CPTNP will monitor MHSA IT funding allocated to contract providers for the acquisition and implementation of systems which support EDI.

To date, Consultant's CPTP activities have been specifically limited to transitioning Non-Governmental Agencies (NGA) Short-Doyle Contract Providers to EDI by conducting monthly contract provider stakeholder meetings, monitoring contract provider EDI transition status and EDI readiness. Additional Consultant services are required to address the two remaining groups of Contractor Providers, Fee-for-Service 2 (FFS2) providers (approximately 350) and other non-FFS2 or NGA providers (approximately 100) which were not included in the original scope of work. Consultant will provide consultative services and technical assistance using a similar approach as used for the NGA Short-Doyle contract providers.

Furthermore, additional consultant services will be added as part of this Amendment to continue supporting the CPTNP project. Consultant will provide consultative services to DMH to identify processes to monitor contracts, invoices, payments, project reviews and other audit requirements, assets, project closeout, contract closeout and status reporting. These processes will be used to ensure that DMH complies with the State MHSA funding requirements for

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contractual monitoring and approval of MHSA IT project proposals; project setup; project status tracking; financial tracking; project review; and project closeout. DMH will use Consultant's expertise to determine if project proposals from contract providers are consistent with MHSA Capital Facilities and Technological Needs Guidelines prior to the distribution of funds to such providers.

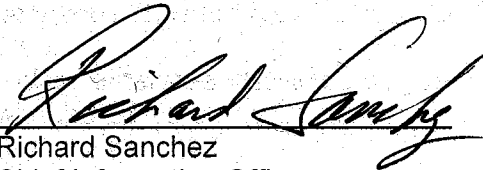
This effort requires a consultant with proven information systems experience in the field of mental health. Consultant has the appropriate experience, knowledge, and skills to manage an effort of this magnitude and technical complexity. Consultant has successfully initiated the CPTP and has assisted dozens of contract providers in their transition to EDI. Consultant will continue facilitating contract provider transitions to EDI through the term of this Agreement, after which management of additional migrations to EDI will shift to DMH staff who will have gained experience by working with the Consultant in supporting the CPTP. The experience and knowledge that Consultant has attained from working with DMH contract providers is essential to the success of the CPTP and the CPTNP, and to select a new contractor at this time would be extremely costly to the County. Failure to extend the Agreement in the middle of this process would severely hinder the efforts of an EDI transition by contract providers and consequently endanger the successful implementation of the IBHIS.

Unless otherwise instructed by your Board within the next two weeks, DMH will proceed to work with the Office of the County Counsel and the Chief Executive Office in preparing a sole source contract amendment.

MJS:MM:RG:emb

c: Mental Health Deputies
Chief Executive Officer
Acting County Counsel
Executive Officer, Board of Supervisors
Henry Balta, Associate CIO
Robin Kay, Ph.D., DMH
Robert Greenless, CIO, DMH

NOTED AND APPROVED:


Richard Sanchez
Chief Information Officer

11-13-09
Date